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"Far Enough in the Heart of Texas to Be Away"

By Dave Caldwell



Because lakefront property is limited in Horseshoe Bay, a popular second-home area, house prices have risen 60 to 70 percent in the last 18 months. *Photo by Frank Curry*

LIKE a big toe testing the waters, a thin, crooked peninsula juts into Lake Lyndon B. Johnson at Horseshoe Bay, Tex. Lighthouse Drive splits the peninsula, and million-dollar weekend homes perch on both sides, their backs within feet of the water's edge.

Owning a second home on an artificial lake whose waters are maintained at a constant level by the Lower Colorado River Authority is perhaps the biggest luxury of many at Horseshoe Bay, 50 miles west of Austin and 80 miles north of San Antonio.

Because the lake level varies by only 8 to 10 inches a year, houses can be built 20 to 25 feet from the shoreline. Virtually all lakefront property is privately owned, resulting in much less weekend boat traffic on Lake L. B. J. than on other Texas lakes.

Four championship golf courses have been built at Horseshoe Bay, on land that used to be a ranch. A nearby airstrip handles private jets that shuttle West Texas oilmen to and from Horseshoe Bay, sometimes just for a round of golf.

Horseshoe Bay has become a haven to do a little bit of everything -- or a lot of nothing. A lazy day might include 18 holes of golf, an excursion on the lake, perhaps on a Jet Ski, and a barbecue at night with friends and neighbors back at home.

"What I like to do out there is nothing, and I've found I'm pretty good at it," said Kent Ferguson, a commercial real estate developer from Austin who spends weekends and summer vacations at his four-bedroom house on Applehead Island, part of Horseshoe Bay, with his wife and three children.

Doing nothing costs plenty. Because lakefront property is limited, the price of homes has risen by 60 to 70 percent in the last 18 months, said Dave Elders, an associate at Kent Lesley Real Estate. Lakefront homes now sell for at least \$1 million.

Because Horseshoe Bay is on the southern shore of Lake L. B. J., it has become popular for second-home buyers from Austin, San Antonio and Houston, who don't have to drive around the lake to get there. But executives in the West Texas oil and gas business like to make the long drive to Horseshoe Bay, too.

"It's far enough that you feel like you're getting away, but it's not so far that you won't use it regularly," Mr. Ferguson said.

Development has spread along the lake to the west. Houses are now being built away from the lake, along meandering Texas Hill Country roads that are either walled by red granite or are lined with bluebonnets, cactuses and live oak trees.

"Everybody's pretty laid-back out there," said Larry Nunez, a technical adviser in the oil and gas business who lives in Odessa, Tex., and spends most of the summer at his four-bedroom house in Horseshoe Bay. "It is getting more crowded, but it is still pretty peaceful and quiet."

The Scene

Lake L. B. J., a reservoir created by the construction of the Wirtz Dam in 1948 and named for the president (and Texan) in 1965, is part of a necklace of seven artificial lakes. Horseshoe Bay began to be developed around 1970.

Hills dotted with trees drop gently to water level. Hunched next to the lake is a hydroelectric power plant built by the river authority in the early 1970's. The plant can be seen from just about everywhere in Horseshoe Bay, but it is a sight residents can live with. "They can build more golf courses, but they can't build any more constant-level lakes," said Kent Lesley, who owns the real estate company that bears his name.

Traffic is usually light on Highway 2147, the two-lane main artery through town. There are a smattering of restaurants and businesses along the road, but most residents eat or shop in Marble Falls, four miles to the east of Horseshoe Bay. Restaurants include the Bluebonnet Cafe, known for chicken-fried steak; Pete's Mesquite BBQ; and Jamin House Cafe, popular for its Caribbean dishes.

"Summer weekends can be pretty crowded, but the other nine months are pretty wide open," said Chet Erwin, a resident of Houston who is in the oil and gas business and spends about 30 nights a year at his four-bedroom house in Horseshoe Bay.

Pros

The weather is almost always conducive to golf or boating. Temperatures average in the 70's and low 80's from March to June and in the 70's in October and November. Ice storms rarely hit the area. The temperature hits 100 about 10 days a year. Mr. Elders recalled getting a big ice storm one day and playing golf the next. Residents say it is more temperate than almost anywhere else in Texas.

Mr. Ferguson said that Horseshoe Bay is ideal for children. Applehead Island has tennis courts and a community swimming pool. Marble Falls has a miniature golf course and a movie theater.

Even the older homes in Horseshoe Bay seem new. But Horseshoe Bay's best asset is its location, which is truly deep in the heart of Texas, though close enough for almost any Texan to visit regularly. As Mr. Elders said, "If it gets too far away, it's too far away to have a fun weekend."

Cons

There is not much nightlife, but residents seem to like it that way. The nearest big grocery store is a 20-minute drive. The nearest mall is in Lakeway, about 35 minutes away.

"I've got a lot to do in Houston, so I don't go to Horseshoe Bay for that," Mr. Erwin said. "I go there for a slower-paced life."

Most of the shoreline is lined by houses, which means that almost no vacant lots remain on which to build one's dream vacation home. But a home buyer can always remodel. Tearing a house down seems less worthwhile because most are less than 10 years old.

The Real Estate Market

Mr. Elders says, "You don't have to be a gazillionaire to live here," and that would seem partly true.

Centex Destination Properties, a luxury-resort developer, plans to build high-rise condominiums near the marina with 350 one-, two- or three-bedroom units. Prices at the complex, the Waters at Horseshoe Bay Resort, are expected to be \$200,000 to \$800,000.

Escondido, a community surrounding a private golf club that is to open on Memorial Day, has sold about half of its 394 home sites, some of which are on the water. Houses on half-acre lots are \$800,000 to \$1.2 million.

Many of the newer homes at Horseshoe Bay are stunning; architecture runs the gamut from Mediterranean to Hill Country rustic to contemporary. A rambling three-story 8,200-square-foot waterfront home on Matern Island, also part of Horseshoe Bay, is listed at \$5,695,000.

Mr. Lesley said that Horseshoe Bay is "known as the second-home market in Texas." Most of his company's business comes from referrals, he said, and the word is spreading.

As Mr. Elders said, "They're coming here to play, and they want their friends around."

LAY OF THE LAND

POPULATION -- 3,337 (2000 census). The Horseshoe Bay Property Owners' Association recently estimated that there are about 5,100 residents and about 10,000 people in Horseshoe Bay on summer weekends.

SIZE -- About 15 square miles.

LOCATION -- The Highland Lakes region of the Hill Country of Texas, about 50 miles northwest of Austin, 85 miles north of San Antonio, 210 miles northwest of Houston and 220 miles south of Dallas and Fort Worth.

WHO'S BUYING -- Mostly residents of Austin, San Antonio, Houston, Dallas, Fort Worth and West Texas cities like Midland, Odessa and Lubbock.

GETTING THERE -- Austin and San Antonio have the nearest commercial airports, although Horseshoe Bay has an airstrip long enough to accommodate a DC-9. Texas Route 71 and United States Route 281 connect Horseshoe Bay to Austin and San Antonio.

WHILE YOU'RE LOOKING -- Horseshoe Bay Resort (830-598-8600) offers four pools, a spa, tennis courts and access to three golf courses. Rates start at \$189. Lovers of chicken-fried steak and homemade pie may want to have lunch at the Bluebonnet Cafe (830-693-2344) on Route 281 in Marble Falls.